

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE)	
ENERGY KENTUCKY, INC. FOR 1) AN)	
ADJUSTMENT OF THE ELECTRIC RATES; 2))	
APPROVAL OF NEW TARIFFS; 3) APPROVAL)	CASE NO.
OF ACCOUNTING PRACTICES TO)	2019-00271
ESTABLISH REGULATORY ASSETS AND)	
LIABILITIES; AND 4) ALL OTHER REQUIRED)	
APPROVALS AND RELIEF)	

ORDER

This matter arises upon a motion for rehearing filed by Duke Energy Kentucky, Inc. (Duke Kentucky) on May 18, 2020, regarding certain aspects of the Commission's April 27, 2020 Order (Final Order), which, among other things, approved a \$24.14 million increase in Duke Kentucky's electric base rates.

On June 4, 2020, the Commission issued an Order that granted in part and denied in part Duke Kentucky's motion for rehearing. The June 4, 2020 Order also established a procedural schedule for the orderly review of the issues that were granted rehearing. Duke Kentucky responded to two rounds of rehearing discovery from Commission Staff and one round of discovery from the Attorney General of the Commonwealth of Kentucky, by and through the Office of Rate Intervention (Attorney General). On August 6, 2020, Duke Kentucky and the Attorney General requested that the case be submitted on the record without the need for a formal hearing.

DISCUSSION AND FINDINGS

The June 4, 2020 Order granted the following issues raised by Duke Kentucky on rehearing:

1. Removal of Excessive Plant Additions – Because Duke Kentucky identified evidence indicating that an adjustment removing plant recovered through the Environmental Surcharge Mechanism (ESM) would account, in part, for the discrepancy between budgeted capital expenditures and plant additions, rehearing was granted on this issue to investigate whether and to what extent the removal of plant recovered through the ESM accounts for the difference.

2. Incentive Compensation Clerical Error – The June 4, 2020 Order found that the adjustment for executive incentive compensation should have reflected \$0.611 million rather than \$0.661 million as stated in the Final Order. The June 4, 2020 Order noted that the effect of correcting this error is an increase to the revenue requirement of \$0.050 million.

3. Denial Without Prejudice of the Rate LED – LED Outdoor Lighting Tariff (Rate LED Outdoor Lighting Tariff) – Rehearing on this issue was granted to determine why the proposed Rate LED Outdoor Lighting Tariff, particularly the option allowing a customer to make monthly payments in lieu of an upfront payment, was not structured similar to Duke Kentucky's Rate OL-E, Outdoor Lighting Equipment Installation.

Because the Commission has determined that the adjustment for executive incentive compensation should be corrected, the only issues to consider now are the adjustments related to the removal of excessive plant and the denial without prejudice of

the proposed Rate LED Outdoor Lighting Tariff. The Commission will discuss each issue in detail as follows:

Excessive Plant Additions

The Final Order found that Duke Kentucky included \$66.324 million of forecasted plant additions in excess of its budgeted additions in 2019 and 2020. Duke Kentucky argues on rehearing that this finding was erroneous because the analysis was based upon a comparison of the schedules in the application that, according to Duke Kentucky, contain different data sets and are used for different purposes. Duke Kentucky contends that its three-year capital budget, attached to the application as Exhibit FR 16(7)(b), uses data that excludes projects being recovered in Duke Kentucky's ESM, whereas its plant accounts, shown on Schedule B-2.3, include additions related to projects that are recovered through the ESM. Duke Kentucky contends that the adjustment to remove the 13-month average plant recovered through the ESM of \$69.086 million should have reduced the plant additions before they were compared to the budgeted amounts. Thus, Duke Kentucky contends that the total revenue requirement reduction of \$5.518 million was unreasonable.

In the order granting rehearing on this issue, the Commission rejected Duke Kentucky's contention that its three-year capital construction budget could not be compared to its plant additions through the forecasted period to assess the reasonableness of its rate base projection and noted that was one purpose of requiring a utility to file its construction budget with its rate application. The Commission also observed that the ESM adjustment that Duke Kentucky contended accounted for the discrepancy was larger than the additions to the account in which it was made, which

indicates it was removing plant that was placed in service before 2019, and that Duke Kentucky was not able to explain the difference between capital spending projections and additions at the hearing. However, the Commission granted Duke Kentucky's request for rehearing on this issue because its ESM adjustment increased from the end of the base period to the forecasted period, which indicated the Duke Kentucky was removing ESM additions made in the forecasted period that could account for a portion of the discrepancy identified in the Final Order.

On rehearing, evidence indicated that Duke Kentucky's ESM plant additions for 2019 through 2020 were \$58.853 million, which would account for a portion of the discrepancy identified in the Final Order and would therefore reduce the adjustment.¹ However, even accounting for the ESM projects, which was the only error Duke Kentucky raised on rehearing, there would still be a discrepancy between Duke Kentucky's projected additions and the actual additions included in plant in service of about \$7.477 million.

Further, in the adjustment in the Final Order, the Commission estimated the additions Duke Kentucky included during the four months between the base period and the forecasted period by taking the difference between the plant in service at the end of the base period and the beginning of the forecasted period. Duke Kentucky acknowledged at the hearing in this matter that estimating the additions in that manner would, if anything, undercount the additions that Duke Kentucky actually included in its plant in service during that period, because the estimate would include the additions

¹ Duke Kentucky's Response to Commission Staff's Initial Rehearing Request for Information (filed July 6, 2020) (Response to Staff's Initial Rehearing Request), Item 2, Attachment.

during that period offset by the retirements during that period.² On rehearing, Duke Kentucky provided its actual additions during that period, and they were \$8.415 million higher than the estimate used in the Final Order. The difference between the actual additions and the estimate arose from retirements during the four months that reduced the net additions in the estimate. The retirements by Duke Kentucky for that period were projected in the same manner as the retirements in other forecasted months.³ Thus, the Commission finds it reasonable to account for the retirements when addressing the extent to which Duke Kentucky's additions to plant in service exceeded its projected capital expenditures in 2019 or 2020, which brings the discrepancy to \$15.892 million.⁴

In the Final Order, the Commission was also required to estimate the balance Duke Kentucky's Construction Work in Progress (CWIP) for normal recurring construction as of December 31, 2020, because Duke Kentucky's actual projected CWIP for the end of December 2020 was not in the record and Duke Kentucky's witness at the hearing could not provide an adequate explanation as to how the CWIP balance for December 2020 could have been estimated.⁵ On rehearing, Duke Kentucky provided the projected CWIP balance for normal recurring construction it claimed to have used in its revenue model.⁶ The CWIP balance for normal recurring construction is important, because if Duke

² Hearing Video Transcript (HVT) of the February 19, 2020 Hearing, 16:28:50-16:31:09.

³ Duke Kentucky's Response to Commission Staff's First Request for Information (filed Sept. 18 2019) (Response to Staff's First Request), Item 5.

⁴ Response to Staff's First Rehearing Request, Item 4.

⁵ HVT of the February 19, 2020 Hearing, 16:20:30-16:21:30.

⁶ Duke Kentucky's Response to Commission Staff's Second Rehearing Request for Information (filed Aug. 3, 2020) (Response to Staff's Second Rehearing Request), Item 3.

Kentucky's CWIP balance is larger as of December 31, 2020, than the amount of projected capital spending in 2019 and 2020 that is moved to plant in service as of December 2020 will be smaller. Although Duke Kentucky did not object to the manner in which the Commission estimated its CWIP balance in the Final Order, the projected CWIP balance provided by Duke Kentucky is smaller than the estimate reflected in the Final Order and, therefore, would account for a portion of the remaining discrepancy mentioned above.⁷

However, the Commission does not believe that Duke Kentucky's projection of its CWIP balance at the end of December 2020 is reasonable. Specifically, Duke Kentucky projected ending CWIP balances for normal recurring construction of \$19.198 million and \$23.397 million for 2019 and 2020, respectively.⁸ Those ending CWIP balances are not consistent with the historic year end CWIP balance of \$37.148 million in December 2018;⁹ Duke Kentucky's projection of the average CWIP balance in 2019 of \$35.165 million;¹⁰ or the Commission's initial estimate of Duke Kentucky's average CWIP balance, to which no objection has been raised, of \$35.080 million and \$34.401 million in 2019 and 2020, respectively, based on the Allowance for Funds Used During Construction (AFUDC) projected by Duke Kentucky.¹¹ Further, Duke Kentucky was also unable to provide a reasonable calculation that tied its projected CWIP ending balance amounts to the

⁷ Response to Staff's Second Rehearing Request, Item 3.

⁸ *Id.*

⁹ Response to Staff's Second Rehearing Request, Item 2.

¹⁰ Response to Staff's Second Rehearing Request, Item 5(d).

¹¹ Final Order at 10–11.

AFUDC it projected would be generated and included in plant in service.¹² Thus, for those reasons and because Duke Kentucky did not specifically object to the Commission's estimate, the Commission finds that using its original estimate of CWIP for normal recurring construction is reasonable.

The changes noted above revise the reduction in Duke Kentucky's rate base to \$10.115 million, which results in a \$0.839 million revenue requirement reduction and depreciation expense on the reduced rate base, which reduces Duke Kentucky's revenue requirement by an additional \$0.346 million. As shown in Appendix A, the overall result is a total revenue requirement reduction of \$1.185 million, which is an increase from the Final Order of \$4.332 million. Including the incentive compensation clerical error correction of \$0.050 million, Duke Kentucky's revenue requirement compared to the Final Order revenue requirement is an increase of \$4.382 million.

LED Outdoor Lighting Tariff

Monthly Payment Option for Additional Facilities

In originally denying the proposed monthly payment option for additional facilities under the Rate LED Outdoor Lighting Tariff, as proposed, the Commission expressed

¹² Duke Kentucky was asked to provide an Excel spreadsheet showing how AFUDC balances attributable to CWIP for normal recurring construction in the application were calculated from the average CWIP balances for normal recurring construction. Response to Staff's Second Rehearing Request, Item 5(e). Duke Kentucky indicated that it projected all AFUDC balances together, both those related to normal recurring construction and other larger projects, and that it "then to allocate a portion of that total AFUDC to major projects as appropriate for reporting purposes, with the remainder attributable to normal recurring construction." *Id.* Duke Kentucky provided a spreadsheet that ostensibly showed how it calculated its AFUDC for all CWIP balances. *Id.* at Item 5(e), STAFF-RHDR-02-005 Attachment. However, the rates it used to calculate AFUDC from the purported CWIP balances were not consistent with other rates provided by Duke Kentucky. For instance, if the AFUDC equity rate used in December 2019 were converted to an annual rate it would be 18.348% (1.529% x 12), which would be impossible because using the method required by the FERC system of accounts the AFUDC equity rate could never exceed the return on equity and could only be equal the return on equity if Duke Kentucky had no debt.

concerns that customers who choose the monthly payment option would be charged more than if the customer elected to pay for the additional facilities' costs upfront.

The monthly payment option for additional facilities under Rate LED Outdoor Lighting Tariff would require a customer to pay a monthly fee based on the installed cost of the system until the equipment is removed. Should the equipment need to be replaced, there would be no additional charge to the customer, but the customer would continue to pay the monthly fee based on the installed cost of the system.¹³

The monthly fee would be calculated using Duke Kentucky's Levelized Fixed Cost Rate, which includes components for rate of return, property taxes and insurance, depreciation, income taxes, and synchronized interest deduction. For customers that pay for additional facilities upfront, Duke Kentucky states that since it is not investing capital when a customer pays upfront, those components, other than property taxes and insurance, would not be incurred. Duke Kentucky states that since the property tax and insurance component is relatively small, approximately 0.5 percent, they chose not to require a customer that pays upfront to be responsible for those costs.¹⁴

Duke Kentucky states that the monthly payment option for additional facilities under Rate LED Outdoor Lighting Tariff was structured to be similar to the rest of Rate LED, which allows customers to choose the type of lighting equipment they want and pay a monthly fee until the system is removed. Duke Kentucky also states that customers have the option of paying the cost of additional facilities upfront or under Rate OL-E.¹⁵

¹³ Response to Staff's First Rehearing Request, Item 1; Response to Staff's Second Rehearing Request, Item 11.

¹⁴ Response to Staff's Second Rehearing Request, Item 1.

¹⁵ Response to Staff's First Rehearing Request, Item 9.

Under Rate OL-E, the customer would pay a system charge based on the installed cost of the system and a maintenance charge. The system charge would end with the expiration of the initial agreement term, but the maintenance charge would continue for the life of the system. If the equipment had to be replaced after the initial term of the agreement, the customer would be responsible for the costs of replacement.

In responding to Staff's rehearing requests for information, Duke Kentucky found several errors in their calculation of the Levelized Fixed Cost Rate (LFCR). The Commercial Activity Tax, which is exclusive to Ohio, should not have been included in the calculation. In addition, Duke Kentucky discovered that the Federal and State Composite Income Tax Rate used in the calculation was incorrect.¹⁶ After correcting those errors, Duke Kentucky calculated a LFCR of 12.0200 percent. For purposes of the monthly payment for additional facilities under Rate LED Outdoor Lighting Tariff, this would mean the customer would pay 1.0017 percent of the cost of the additional facility monthly.¹⁷

In reviewing Duke Kentucky's responses to Staff's rehearing data requests, the Commission finds that the monthly payment option for additional facilities under Rate LED Outdoor Lighting Tariff, as revised during discovery, should now be accepted as that option would be structured similar to the rest of Rate LED and would appropriately recover the costs related to that option.

The Commission notes that Duke Kentucky was also inquired as to whether customers choosing the monthly payment option for additional facilities could pay part of the cost upfront to lower their monthly payment. Duke Kentucky indicated that allowing

¹⁶ Response to Staff's Second Rehearing Request, Item 14(b).

¹⁷ Response to Staff's Second Rehearing Request, Item 14(b), Attachment 1, at 2.

customers to make partial payments would create a significant administrative burden and that no customers have shown a desire for more payment choices beyond 100 percent upfront or 100 percent monthly payments.¹⁸ However, Rate OL-E customers may make partial payments to lower their monthly payments and Rate LED customers may also do so on certain types of lights.¹⁹ Given that customers can do so under other payment options, the Commission finds that this option should also be made available to customers when additional facilities are required under Rate LED Outdoor Lighting Tariff.

Rate LED

In its application, Duke Kentucky proposed additional lights and fees for pole foundations, brackets, or wiring. In the rate appendix to the Final Order, these rates were not adjusted to account for the revised authorized return on equity. In response to discovery on rehearing, Duke Kentucky provided cost support for these monthly charges. The Commission finds that these rates will need to be updated in the Rate Appendix to this Order, but the updated rates will not impact the revenue requirement as there are no customers on Rate LED.

September 18, 2019 Confidentiality Request

By Order issued on June 26, 2020, the Commission found that the issues raised in Duke Kentucky's September 18, 2019 confidentiality petition should be investigated further to determine whether or not the April 29, 2020 Order denying confidential treatment to Duke Kentucky's response to Commission Staff's First Request for Information (Staff's First Request), Item 13, should be modified. The Commission notes

¹⁸ Response to Staff's Second Rehearing Request, Item 9.

¹⁹ Application, Schedule L-1 at 60 and 70.

Staff's First Request, Item 13, sought information concerning Duke Kentucky's lobbying activities and also requested the company to provide a schedule showing the name, salary, and job title of each individual whose job function involves lobbying on the local, state, or national level. In response, Duke Kentucky provided the information requested along with the salaries of two employees. The April 29, 2020 Order, among other things, denied Duke Kentucky's request for confidential treatment of the two employees' salary information.

KRS 278.390 states that "[e]very order entered by the commission shall continue in force until the expiration of the time, if any, named by the commission in the order, or until revoked or modified by the commission." Thus, the Commission has continuing jurisdiction over the April 29, 2020 Order to review and determine whether any modification of that Order is necessary.

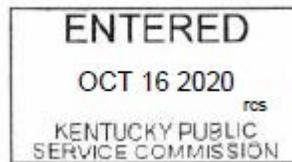
Having further reviewed the information provided by Duke Kentucky in its response to Staff's First Request, Item 13, and Duke Kentucky's September 18, 2019 petition for confidential treatment of that response, the Commission finds that the salary information of the two employees should be kept confidential given that the salary of these two employees are not required to be publicly reported by Duke Kentucky and the information provided reflects the entire compensation package of each employee even though neither employee engages in lobbying as their exclusive work responsibility with Duke Kentucky. Accordingly, the Commission finds that the April 29, 2020 Order should be modified to the limited extent that Duke Kentucky's request for confidential treatment for the information contained in its response to Staff's First Request, Item 13, is granted.

IT IS HEREBY ORDERED that:

1. The rates and charges, as set forth in Appendix B to this Order, are approved as fair, just, and reasonable rates for Duke Kentucky and these rates and charges are approved for service rendered on and after the date of entry of this Order.
2. The Commission's April 27, 2020 Final Order, as modified by our June 4, 2020 Order, is amended to reflect the modifications discussed in this Order.
3. All other provisions of the April 27, 2020 Final Order, as modified by our June 4, 2020 Order, shall remain in full force and effect.
4. The Commission's April 29, 2020 Order shall be modified to reflect that the information contained in Duke Kentucky's response to Staff's First Request, Item 13, shall be granted confidential treatment and shall not be placed in the public record or made available for public inspection for 20 years, or until further Orders of this Commission.
5. All other provisions of the April 29, 2020 Order shall remain in full force and effect.
6. Within 20 days of the date of entry of this Order, Duke Kentucky shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.
7. This case is closed and removed from the Commission's docket.

By the Commission

Vice Chairman Kent A. Chandler did not participate in the deliberations and decision concerning this case.



ATTEST:



Deputy Executive Director

Case No. 2019-00271

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00271 DATED OCT 16 2020

	<u>Rehearing</u>	<u>Final Order</u>	<u>Difference</u>
Gross Plant in Service	(11,953,444)	(53,347,271)	(41,393,827)
Accumulated Depreciation	172,780	873,630	700,851
ADIT	<u>1,665,578</u>	<u>7,069,799</u>	<u>5,404,221</u>
Rate Base	(10,115,086)	(45,403,842)	(35,288,755)
WACC	8.297%	8.297%	0.000%
Revenue Requirement Reduction	<u>(839,209)</u>	<u>(3,766,979)</u>	<u>(2,927,770)</u>
Depreciation Expense	(345,559)	(1,747,260)	(1,401,701)
GRCF	<u>1.001959833</u>	<u>1.001959833</u>	<u>0</u>
Revenue Requirement Reduction	<u>(346,236)</u>	<u>(1,750,684)</u>	<u>(1,404,448)</u>
Total Revenue Requirement Reduction	<u><u>(1,185,445)</u></u>	<u><u>(5,517,663)</u></u>	<u><u>(4,332,218)</u></u>

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00271 DATED OCT 16 2020

The following rates and charges are prescribed for the customers in the area served by Duke Energy Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RATE RS
RESIDENTIAL SERVICE

Customer Charge per month	\$	12.60
Energy Charge per kWh: All kWh per month	\$	0.079431

RATE DS
SERVICE AT SECONDARY DISTRIBUTION VOLTAGE

Customer Charge per month:		
Single Phase Service	\$	15.00
Three Phase Service	\$	30.00
Demand Charge per kW:		
First 15 kW	\$	0.00
Additional kW	\$	9.00
Energy Charge per kWh:		
First 6,000 kWh	\$	0.087606
Next 300 kWh/kW	\$	0.053778
Additional kWh	\$	0.044040
Non-Church Cap Rate per kWh	\$	0.258792
Church Cap Rate per kWh	\$	0.158876

RATE DT
TIME-OF-DAY RATE FOR SERVICE AT DISTRIBUTION VOLTAGE

Customer Charge per month:	
Single Phase	\$ 63.50
Three Phase	\$ 127.00
Primary Voltage Service	\$ 138.00
Demand Charge per kW:	
Summer on-peak	\$ 14.85
Winter on-peak	\$ 14.05
Off-peak	\$ 1.34
Energy Charge per kWh:	
Summer on-peak	\$ 0.046825
Winter on-peak	\$ 0.044698
Off-peak	\$ 0.038345
Primary Service Discount:	
Metering of on-peak billing demand per kW:	
First 1,000 kW	\$ (0.75)
Additional kW	\$ (0.58)

RATE EH
OPTIONAL RATE FOR ELECTRIC SPACE HEATING

Winter Period

Customer Charge per month:	
Single Phase Service	\$ 15.00
Three Phase Service	\$ 30.00
Primary Voltage Service	\$ 117.00
Energy Charge per kWh:	
All kWh per month	\$ 0.067704

RATE SP
SEASONAL SPORTS SERVICE

Customer Charge per month:	\$ 15.00
Energy Charge per kWh:	
All kWh per month	\$ 0.106401

RATE GS-FL
OPTIONAL UNMETERED GENERAL SERVICE RATE FOR SMALL FIXED LOADS

Base Rate per kWh:		
Load range of 540 to 720 hours per month	\$	0.089505
Loads less than 540 hours per month	\$	0.103135
Minimum per Fixed Load Location per month:	\$	3.23

RATE DP
SERVICE AT PRIMARY DISTRIBUTION VOLTAGE

Customer Charge per month:		
Primary Voltage Service (12.5 or 34.5 kV)	\$	117.00
Demand Charge per kW:		
All kW	\$	8.60
Energy Charge per kWh:		
First 300 kWh/kW	\$	0.055489
Additional kWh	\$	0.046917

The maximum monthly rate, excluding the customer charge and all applicable riders shall not exceed \$0.262020 per kWh.

RATE TT
TIME-OF-DAY RATE FOR SERVICE AT TRANSMISSION VOLTAGE

Customer Charge per month:	\$	500.00
Demand Charge per kW:		
Summer on-peak	\$	8.51
Winter on-peak	\$	6.98
Off-peak	\$	1.29
Energy Charge per kWh:		
Summer on-peak	\$	0.051742
Winter on-peak	\$	0.049395
Off-peak	\$	0.042372

RIDER GSS¹
GENERATION SUPPORT SERVICE

Administrative Charge:	\$	50.00
Monthly Transmission and Distribution Reservation Charge:		
Rate DS – Secondary Distribution Service	\$	5.6112
Rate DT – Distribution Service	\$	7.1198
Rate DP – Primary Distribution Service	\$	7.6293
Rate TT – Transmission Service	\$	3.1067

¹ These rates did not change from the April 27, 2020 Final Order.

RATE SL
STREET LIGHTING SERVICE

Base Rate per Unit per Month:

OVERHEAD DISTRIBUTION AREA

Standard Fixture (Cobra Head)

Mercury Vapor:

7,000 Lumen	\$ 7.82
7,000 Lumen (Open Refractor)	\$ 6.53
10,000 Lumen	\$ 9.03
21,000 Lumen	\$ 12.09

Metal Halide:

14,000 Lumen	\$ 7.82
20,500 Lumen	\$ 9.03
36,000 Lumen	\$ 12.09

Sodium Vapor:

9,500 Lumen	\$ 8.65
9,500 Lumen (Open Refractor)	\$ 6.50
16,000 Lumen	\$ 9.44
22,000 Lumen	\$ 12.24
27,500 Lumen	\$ 12.24
50,000 Lumen	\$ 16.45

Decorative Fixtures

Sodium Vapor:

9,500 Lumen (Rectilinear)	\$ 10.76
22,000 Lumen (Rectilinear)	\$ 13.30
50,000 Lumen (Rectilinear)	\$ 17.60
50,000 Lumen (Setback)	\$ 26.17

Spans of Secondary Wiring: For each increment of 50 feet of secondary wiring beyond the first 150 feet from the pole, the following price per month shall be added to the price per month per street lighting unit: \$ 0.57

UNDERGROUND DISTRIBUTION AREA

Standard Fixture (Cobra Head)

Mercury Vapor:

7,000 Lumen	\$ 7.96
7,000 Lumen (Open Refractor)	\$ 6.53
10,000 Lumen	\$ 9.19
21,000 Lumen	\$ 12.38

Metal Halide:		
14,000 Lumen	\$	7.96
20,500 Lumen	\$	9.19
36,000 Lumen	\$	12.38

Sodium Vapor:		
9,500 Lumen	\$	8.65
9,500 Lumen (Open Refractor)	\$	6.59
16,000 Lumen	\$	9.41
22,000 Lumen	\$	12.24
27,500 Lumen	\$	12.24
50,000 Lumen	\$	16.45

Decorative Fixture:

Mercury Vapor:		
7,000 Lumen (Town & Country)	\$	8.23
7,000 Lumen (Holophane)	\$	10.34
7,000 Lumen (Gas Replica)	\$	36.80
7,000 Lumen (Granville)	\$	8.32
7,000 Lumen (Aspen)	\$	14.97

Metal Halide:		
14,000 Lumen (Traditionaire)	\$	8.22
14,000 Lumen (Granville Acorn)	\$	14.97
14,000/14,500 Lumen (Gas Replica) ²	\$	23.72

Sodium Vapor:		
9,500 Lumen (Town & Country)	\$	12.02
9,500 Lumen (Holophane)	\$	13.02
9,500 Lumen (Rectilinear)	\$	9.71
9,500 Lumen (Gas Replica)	\$	24.49
9,500 Lumen (Aspen)	\$	15.17
9,500 Lumen (Traditionaire)	\$	12.02
9,500 Lumen (Granville Acorn)	\$	15.17
22,000 Lumen (Rectilinear)	\$	13.37
50,000 Lumen (Rectilinear)	\$	17.66
50,000 Lumen (Setback)	\$	26.17

POLE CHARGES

² Duke Kentucky's billing analysis lists both 14,000 and 14,500 Lumen Gas Replica lights at the same rate.

Pole Description:

Wood:

17 Foot (Wood Laminated)	\$	4.84
30 Foot	\$	4.78
35 Foot	\$	4.84
40 Foot	\$	5.80

Aluminum:

12 Foot (Decorative)	\$	13.16
28 Foot	\$	7.63
28 Foot (Heavy Duty)	\$	7.71
30 Foot (Anchor Base)	\$	15.24

Fiberglass:

17 Foot	\$	4.84
12 Foot (Decorative)	\$	14.15
30 Foot (Bronze)	\$	9.21
35 Foot (Bronze)	\$	9.46

Steel:

27 Foot (11 gauge)	\$	12.44
27 Foot (3 gauge)	\$	18.76

Spans of Secondary Wiring: For each increment of 25 feet of secondary wiring beyond the first 25 feet from the pole, the following price per month shall be added to the price per month per street lighting unit: \$ 0.83

RATE TL
TRAFFIC LIGHTING SERVICE

Base Rate per kWh:

Energy only	\$	0.041873
Energy from separately metered source w/maintenance	\$	0.023187
Energy w/maintenance	\$	0.065060

RATE UOLS
UNMETERED OUTDOOR LIGHTING ELECTRIC SERVICE

Base Rate per kWh:

All kWh per month	\$	0.041229
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RATE LED
LED OUTDOOR LIGHTING ELECTRIC SERVICE

Base Rate per kWh:
All kWh per month \$ 0.041229

Monthly Maintenance and Fixture Charge Per Unit Per Month
Fixtures:

	<u>Fixture</u>	<u>Maintenance</u>
50W Neighborhood	\$ 4.32	\$ 4.56
50W Neighborhood with Lens	\$ 4.50	\$ 4.56
50W Standard LED	\$ 5.31	\$ 4.56
70W Standard LED	\$ 5.30	\$ 4.56
110W Standard LED	\$ 6.01	\$ 4.56
150W Standard LED	\$ 7.95	\$ 4.56
220W Standard LED	\$ 9.02	\$ 5.56
280W Standard LED	\$ 11.10	\$ 5.56
50W Acorn LED	\$ 13.95	\$ 4.56
50W Deluxe Acorn LED	\$ 15.48	\$ 4.56
70W LED Open Deluxe Acorn	\$ 15.09	\$ 4.56
50W Traditional LED	\$ 10.11	\$ 4.56
50W Open Traditional LED	\$ 10.11	\$ 4.56
50W Mini Bell LED	\$ 13.15	\$ 4.56
50W Enterprise LED	\$ 13.58	\$ 4.56
70W Sanibel LED	\$ 16.75	\$ 4.56
150W Sanibel LED	\$ 16.75	\$ 4.56
150W LED Teardrop	\$ 20.27	\$ 4.56
50W LED Teardrop Pedestrian	\$ 16.45	\$ 4.56
220W LED Shoebox	\$ 14.04	\$ 5.56
420W LED Shoebox	\$ 20.95	\$ 5.56
530W LED Shoebox	\$ 26.34	\$ 5.56
150W Clermont LED	\$ 25.00	\$ 4.56
130W Flood LED	\$ 8.58	\$ 4.56
260W Flood LED	\$ 13.50	\$ 5.56
50W Monticello LED	\$ 16.69	\$ 4.56
50W Mitchell Finial	\$ 15.83	\$ 4.56
50W Mitchell Ribs, Bands, and Medallions LED	\$ 17.44	\$ 4.56
50W Mitchell Top Hat LED	\$ 15.83	\$ 4.56
50W Mitchell Top Hat with Ribs, Bands, and Medallions LED	\$ 17.44	\$ 4.56
50W Open Monticello LED	\$ 16.62	\$ 4.56

Monthly Pole Charges Per Unit Per Month:

Style A 12 Ft Long Anchor Base Top Tenon Aluminum	\$ 6.07
Style A 15 Ft Long Direct Buried Top Tenon Aluminum	\$ 5.20
Style A 15 Ft Long Anchor Base Top Tenon Aluminum	\$ 6.24
Style A 18 Ft Long Direct Buried Top Tenon Aluminum	\$ 5.40
Style A 17 Ft Long Anchor Base Top Tenon Aluminum	\$ 6.54
Style A 25 Ft Long Direct Buried Top Tenon Aluminum	\$ 10.03
Style A 22 Ft Long Anchor Base Top Tenon Aluminum	\$ 7.76
Style A 30 Ft Long Direct Buried Top Tenon Aluminum	\$ 11.18
Style A 27 Ft Long Anchor Base Top Tenon Aluminum	\$ 9.17
Style A 35 Ft Long Direct Buried Top Tenon Aluminum	\$ 12.44
Style A 32 Ft Long Anchor Base Top Tenon Aluminum	\$ 10.59
Style A 41 Ft Long Direct Buried Top Tenon Aluminum	\$ 13.44
Style B 12 Ft Long Anchor Base Post Top Aluminum	\$ 7.39
Style C 12 Ft Long Anchor Base Post Top Aluminum	\$ 10.01
Style C 12 Ft Long Anchor Base Davit Steel	\$ 10.01
Style C 14 Ft Long Anchor Base Top Tenon Steel	\$ 10.73
Style C 21 Ft Long Anchor Base Davit Steel	\$ 26.33
Style C 23 Ft Long Anchor Base Boston Harbor Steel	\$ 26.62
Style D 12 Ft Long Anchor Base Breakaway Aluminum	\$ 9.91
Style E 12 Ft Long Anchor Base Post Top Aluminum	\$ 10.01
Style F 12 Ft Long Anchor Base Post Top Aluminum	\$ 10.72
Legacy Style 39 Ft Direct Buried Single or Twin Side Mount Aluminum Satin Finish	\$ 16.94
Legacy Style 27 Ft Long Anchor Base Side Mount Aluminum Pole Satin Finish Breakaway	\$ 13.06
Legacy Style 33 Ft Long Anchor Base Side Mount Aluminum Pole Satin Finish Breakaway	\$ 12.70
Legacy Style 37 Ft Long Anchor Base Side Mount Aluminum Pole Satin Finish	\$ 15.70
30' Class 7 Wood Pole	\$ 6.21
35' Class 5 Wood Pole	\$ 6.75
40' Class 4 Wood Pole	\$ 10.16
45' Class 4 Wood Pole	\$ 10.54
15' Style A - Fluted - for Shroud - Aluminum Direct Buried Pole	\$ 5.03
20' Style A - Fluted - for Shroud - Aluminum Direct Buried Pole	\$ 5.61
15' Style A - Smooth - for Shroud - Aluminum Direct Buried Pole	\$ 3.32
20' Style A - Smooth - for Shroud - Aluminum Direct Buried Pole	\$ 5.17
Shroud – Standard Style for anchor base poles	\$ 2.42
Shroud – Style B Pole for smooth and fluted poles	\$ 2.28
Shroud – Style C Pole for smooth and fluted poles	\$ 2.19
Shroud – Style D Pole for smooth and fluted poles	\$ 2.35

Pole Foundation Per Month Per Unit:

Flush – Pre-fabricated – Style A Pole	\$	10.23
Flush – Pre-fabricated – Style B Pole	\$	9.22
Flush – Pre-fabricated – Style C Pole	\$	10.84
Flush – Pre-fabricated – Style E Pole	\$	10.23
Flush – Pre-fabricated – Style F Pole	\$	9.22
Flush – Pre-fabricated – Style D Pole	\$	8.98
Reveal – Pre-fabricated – Style A Pole	\$	10.87
Reveal – Pre-fabricated – Style B Pole	\$	11.61
Reveal – Pre-fabricated – Style C Pole	\$	11.61
Reveal – Pre-fabricated – Style D Pole	\$	11.61
Reveal – Pre-fabricated – Style E Pole	\$	11.61
Reveal – Pre-fabricated – Style F Pole	\$	10.14
Screw-in Foundation	\$	5.70

Brackets Per Month Per Unit:

14-inch bracket – wood pole – side mount	\$	1.36
4-foot bracket – wood pole – side mount	\$	1.47
6-foot bracket – wood pole – side mount	\$	1.34
8-foot bracket – wood pole – side mount	\$	2.17
10-foot bracket – wood pole – side mount	\$	4.49
12-foot bracket – wood pole – side mount	\$	3.56
15-foot bracket – wood pole – side mount	\$	4.33
4-foot bracket – metal pole – side mount	\$	5.22
6-foot bracket – metal pole – side mount	\$	5.58
8-foot bracket – metal pole – side mount	\$	5.62
10-foot bracket – metal pole – side mount	\$	5.92
12-foot bracket – metal pole – side mount	\$	6.73
15-foot bracket – metal pole – side mount	\$	6.88
18-inch bracket – metal pole – double flood mount –top mount	\$	2.24
14-inch bracket – metal pole – single mount – top tenon	\$	1.61
14-inch bracket – metal pole – double mount – top tenon	\$	1.99
14-inch bracket – metal pole – triple mount – top tenon	\$	2.46
14-inch bracket – metal pole – quad mount – top tenon	\$	2.29
6 foot – metal pole – single – top tenon	\$	2.42
6 foot – metal pole – double – top tenon	\$	3.86
4 foot – Boston Harbor – top tenon	\$	7.87
6 foot – Boston Harbor – top tenon	\$	8.61
12 foot – Boston Harbor Style C pole double mount – top tenon	\$	15.51

4 foot – Davit arm – top tenon	\$	8.36
18 inch – Cobra head fixture for wood pole	\$	1.19
18 inch – Flood light for wood pole	\$	1.34

Wiring Equipment Per Month Per Unit:

Secondary Pedestal (cost per unit)	\$	2.05
Handhole (cost per unit)	\$	1.70
6AL DUPLEX and Trench (cost per foot)	\$	0.91
6AL DUPLEX and Trench and conduit (cost per foot)	\$	0.95
6AL DUPLEX with existing conduit (cost per foot)	\$	0.88
6AL DUPLEX and Bore with conduit (cost per foot)	\$	1.09
6AL DUPLEX OH wire (cost per foot)	\$	0.87

RATE NSU

STREET LIGHTING SERVICE - NONSTANDARD UNITS

Rate per Unit per Month:

Company Owned

Boulevard Units Served Underground:

2,500 Lumen Incandescent - Series	\$	10.14
2,500 Lumen Incandescent - Multiple	\$	7.88

Holophane Decorative Served Underground:

10,000 Lumen Mercury Vapor on Fiberglass Pole	\$	18.47
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The cable span charge of \$0.81 per each increment of 25 feet of secondary wiring shall be added to the rate/unit charge for each increment of secondary wiring beyond the first 25 feet from the pole base.

Street Lighting Served Overhead:

2,500 Lumen Incandescent	\$	7.81
2,500 Lumen Mercury Vapor	\$	7.39
21,000 Lumen Mercury Vapor	\$	11.72

Customer Owned

Steel Boulevard Units Served Underground:

2,500 Lumen Incandescent - Series	\$	5.98
2,500 Lumens Incandescent - Multiple	\$	7.61

RATE SC
STREET LIGHTING SERVICE – CUSTOMER OWNED

Base Rate per Unit per Month:

Standard Fixture (Cobra Head):

Mercury Vapor:

7,000 Lumen	\$ 4.61
10,000 Lumen	\$ 5.87
21,000 Lumen	\$ 8.14

Metal Halide:

14,000 Lumen	\$ 4.61
20,500 Lumen	\$ 5.87
36,000 Lumen	\$ 8.14

Sodium Vapor:

9,500 Lumen	\$ 5.54
16,000 Lumen	\$ 6.18
22,000 Lumen	\$ 6.79
27,500 Lumen	\$ 6.79
50,000 Lumen	\$ 9.19

Decorative Fixture:

Mercury Vapor:

7,000 Lumen (Holophane)	\$ 5.86
7,000 Lumen (Town & Country)	\$ 5.80
7,000 Lumen (Gas Replica)	\$ 5.86
7,000 Lumen (Aspen)	\$ 5.86

Metal Halide:

14,000 Lumen (Traditionaire)	\$ 5.80
14,000 Lumen (Granville Acorn)	\$ 5.86
14,000 Lumen (Gas Replica)	\$ 5.86

Sodium Vapor:

9,500 Lumen (Town & Country)	\$ 5.46
9,500 Lumen (Traditionaire)	\$ 5.46
9,500 Lumen (Granville Acorn)	\$ 5.69
9,500 Lumen (Rectilinear)	\$ 5.46
9,500 Lumen (Aspen)	\$ 5.69
9,500 Lumen (Holophane)	\$ 5.69
9,500 Lumen (Gas Replica)	\$ 5.69
22,000 Lumen (Rectilinear)	\$ 7.19
50,000 Lumen (Rectilinear)	\$ 9.51

Pole Description:

Wood:

30 Foot	\$	4.78
35 Foot	\$	4.84
40 Foot	\$	5.80

Customer Owned and Maintained Units per kWh	\$	0.041229
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RATE SE
STREET LIGHTING SERVICE – OVERHEAD EQUIVALENT

Base Rate per Unit per Month:

Decorative Fixtures:

Mercury Vapor:

7,000 Lumen (Town & Country)	\$	8.02
7,000 Lumen (Holophane)	\$	8.05
7,000 Lumen (Gas Replica)	\$	8.05
7,000 Lumen (Aspen)	\$	8.05

Metal Halide:

14,000 Lumen (Traditionaire)	\$	8.02
14,000 Lumen (Granville Acorn)	\$	8.05
14,000 Lumen (Gas Replica)	\$	8.05

Sodium Vapor:

9,500 Lumen (Town & Country)	\$	8.74
9,500 Lumen (Holophane)	\$	8.86
9,500 Lumen (Rectilinear)	\$	8.74
9,500 Lumen (Gas Replica)	\$	8.85
9,500 Lumen (Aspen)	\$	8.85
9,500 Lumen (Traditionaire)	\$	8.74
9,500 Lumen (Granville Acorn)	\$	8.85
22,000 Lumen (Rectilinear)	\$	12.56
50,000 Lumen (Rectilinear)	\$	16.62
50,000 Lumen (Setback)	\$	16.62

RATE DPA³
DISTRIBUTION POLE ATTACHMENTS

Annual rental per pole per foot:

Two-User pole	\$	8.59
Three-User pole	\$	7.26

³ These rates did not change from the April 27, 2020 Final Order.

COGENERATION AND SMALL POWER⁴
PRODUCTION SALE AND PURCHASE TARIFF-100 kW OR LESS

Rates for Purchases from Qualifying Facilities

Energy Purchase Rate per kWh	\$ 0.032038
Capacity Purchase Rate per kW-month	\$ 3.98 ⁵

COGENERATION AND SMALL POWER⁶
PRODUCTION SALE AND PURCHASE TARIFF-GREATER THAN 100 kW

Rates for Purchases from Qualifying Facilities

The Energy Purchase Rate for all kWh delivered shall be the PJM Real-Time Locational Marginal Price for power at the DEK Aggregate price node, inclusive of the energy, congestion and losses charges, for each hour of the billing month.

Capacity Purchase Rate per kW-month	\$ 3.98 ⁷
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SCHEDULE RTP⁸
REAL-TIME PRICING PROGRAM

Energy Delivery Charge (Credit) per kW per hour from CBL	
Secondary Service	\$ 0.018119
Primary Service	\$ 0.014956
Transmission Service	\$ 0.006575

NON-RECURRING CHARGES⁹

Remote Reconnection	\$ 5.88
Reconnection – Non-remote	\$ 60.00
After-Hours Charge	\$ 40.00
Collection Charge	\$ 60.00

⁴ *Id.*

⁵ The Total Avoided Cost Weighted Average Cost of Capital components were updated based upon the approved WACC in the instant case.

⁶ These rates did not change from the April 27, 2020 Final Order.

⁷ The Total Avoided Cost Weighted Average Cost of Capital components were updated based upon the approved WACC in the instant case.

⁸ These rates did not change from the April 27, 2020 Final Order.

⁹ *Id.*

*L Allyson Honaker
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45202

*David S Samford
Goss Samford, PLLC
2365 Harrodsburg Road, Suite B325
Lexington, KENTUCKY 40504

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Debbie Gates
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*J. Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Dennis G Howard II
Howard Law PLLC
740 Emmett Creek Lane
Lexington, KENTUCKY 40515

*Minna Sunderman
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*William Don Wathern, Jr.
Director Rates & Reg. Strategy
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Rocco O D'Ascenzo
Duke Energy Kentucky, Inc.
139 East Fourth Street
Cincinnati, OH 45201

*Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202